

271

14840

RECORDATION NO. .... Filed 1425

WILMER, CUTLER & PICKERING

1666 K STREET, N. W.  
WASHINGTON, D. C. 20006

NOV 15 1985 -4 15 PM

INTERSTATE COMMERCE COMMISSION

ALLEN H. HARRISON, JR.  
DIRECT LINE (202)

No. 5-319A101

Date NOV 15 1985

Fee \$ 10.00

ICC Washington, D.C.

INTERNATIONAL TELEX: 440 239 WCPI UI  
TELEX: 89-2402 WICRNG WSH  
TELEPHONE 202 872-6000

RECORDATION NO. 14840

EUROPEAN OFFICE  
4 CARLTON GARDENS  
PALL MALL  
LONDON, SW1Y 5AA, ENGLAND  
TELEPHONE 011-441-839-4466  
TELEX: 8813918 WCPLDN  
CABLE ADDRESS: WICRNG LONDON

NOV 15 1985 -4 15 PM

INTERSTATE COMMERCE COMMISSION

Dear Mr. Bayne:

On behalf of ITT Industrial Credit Company I submit for filing and recording under 49 U.S.C. § 11303(a) and the regulations promulgated thereunder, one executed counterpart and one certified true copy of a primary document not previously recorded entitled "Locomotive Lease," dated July 16, 1985 and one executed counterpart and one certified true copy of a related secondary document not previously recorded entitled "Assignment of Lease Full Recourse" dated July 16, 1985.

New Number

The parties to the Locomotive Lease are:

Inman Service Co., Inc. - Lessor  
115 North Main  
Baytown, Texas 77520

Sohio Chemical Co. - Lessee  
P. O. Box 659  
Port Lavaca, Texas 77979

- A  
are:

The parties to the Assignment of Lease Full Recourse

Inman Service Company Inc. - Assignor  
115 North Main  
Baytown, Texas 77520

ITT Industrial Credit Company - Assignee  
8251 Maryland Avenue  
Clayton, Missouri 63105

The said documents relate to a loan not to exceed \$430,000.32, and the instant documents cover the lease of, and the granting of a security interest by assignment in one EMD locomotive, Road #195, Model SW-9, Serial Number 4098-42.

NOV 15 4 11 PM '85  
ICC OFFICE OF  
THE SECRETARY  
MOTOR VEHICLE DIVISION

*Consented to by H. Harrison*

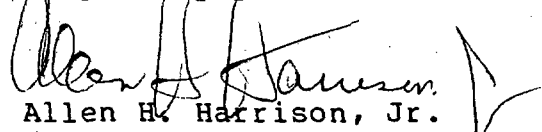
A short summary of the documents to appear in the Index is as follows:

"Lease and assignment of 1 EMD Locomotive, Road #195, Model SW-9, Serial No. 4098-42."

Enclosed is our firm's check in the amount of \$10 in payment of the filing fee.

Once the filings have been made, please return to bearer the stamped counterparts of the documents not required for filing purposes, together with the fee receipt, the letter from the ICC acknowledging the filings, and the two extra copies of this letter of transmittal.

Very truly yours,

  
Allen H. Harrison, Jr.  
Attorney for ITT Industrial  
Credit Company for the  
purpose of this filing

Honorable James H. Bayne  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

Enclosures  
AHH/iw

BY HAND



Inman Service Company Inc.

Diesel-Electric

**LOCOMOTIVES**

**LOCOMOTIVE LEASE**

July 16, 1985

RECORDATION NO. 14840  
Filed 1425

NOV 15 1985 4 15 PM  
INTERSTATE COMMERCE COMMISSION

Lease No. 904195 (WD)

LESSOR: INMAN SERVICE CO., INC.  
115 North Main  
Baytown, Texas 77520

LESSEE: SOHIO CHEMICAL CO.  
P.O. Box 659  
Port Lavaca, TX. 77979

LOCOMOTIVE DESCRIPTION: SW-9, EMD, 1200 HP

SERIAL NUMBER: \_\_\_\_\_

LEASED EQUIPMENT LOCATION: Sohio, Vistron Green Lake

TERM OF LEASE: This locomotive lease shall extend for an initial test term of three (3) months commencing with the acceptance of possession of the locomotive by Lessee. This lease shall then continue from month to month after the conclusion of such initial term until terminated by either party hereto by such party giving to the other party thirty (30) days notice in writing of its election to terminate this lease. In such event, this lease shall terminate at the expiration of said thirty (30) day period following such notice given by either party, one to the other.

RENTAL CHARGES: \$1,500 per month each for each of 24 months of initial lease with escalation thereafter not to exceed 10% in any succeeding 12 month period of the lease.

1. LEASE. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the above described Locomotive(s) (all locomotives are hereinafter referred to as "Leased Equipment") pursuant to the terms contained herein for the consideration set out above. All payments to Lessor shall be made at the above address.

2. OPERATORS. Lessee shall supply its own operators for the Leased Equipment and Lessee agrees all operators using such Leased Equipment shall be competent and qualified.

3. DELIVERY AND ACCEPTANCE. All Leased Equipment shall be delivered to the Leased Equipment Location as set out above. Such Leased Equipment shall not be removed from such location except with written consent from Lessor. By accepting delivery of the Leased Equipment, Lessee acknowledges that said Leased Equipment is in good condition.

4. LESSOR'S MAINTENANCE DUTIES. Lessor shall, at its expense, supply all replacement parts, lubricants, and filters, and shall perform all major maintenance repairs, and periodic inspections, lubrications, and filter changes. For purposes of this Lease, a major maintenance repair is a repair that requires more than two (2) man-hours of work to complete.

5. LESSEE'S DUTIES OF CARE AND MAINTENANCE. Lessee shall be obligated to exercise a reasonable degree of care in its use of the Leased Equipment and to perform the daily fluid levels and maintenance checklist pursuant to the guidelines that may be established from time-to-time by Lessor. Lessee shall not allow the vehicle to be used in an unlawful manner, nor in any manner that would result in or cause the suspension or cancellation of insurance coverage on the Leased Equipment.

6. LESSOR'S INSURANCE COVERAGE. Lessor agrees to provide the insurance coverages shown in Exhibit "A" attached hereto and incorporated herein.

~~7. LESSEE'S INSURANCE COVERAGE. Lessee agrees to provide the insurance coverages shown in Exhibit "A" attached hereto and incorporated herein.~~

FLP Date 7-16-85 10/27/85 Date 7-19-85

8. LESSEE'S INDEMNITY. The Lessee further agrees, as part consideration of this lease, to forever indemnify and save harmless Lessor, and its successors and assigns, from and against and all loss, damage, injury, death, claims, demands and liability of every nature arising directly or indirectly in connection with the use or handling of said Locomotive by the Lessee and its employees.

9. LESSOR'S INDEMNITY. The Lessor further agrees, as part consideration of this Lease, to forever indemnify and save harmless Lessee, and its successors and assigns, from and against any and all loss, damage, injury, death, claims, demands and liability in connection with employees and agents of Lessor in their activities in the plant where the equipment is kept. Lessor further indemnifies and holds Lessee harmless from and against any and all loss in the event any of the Leased Equipment which may not be wholly owned is repossessed or foreclosed upon.

10. INSPECTION. Lessor shall have the right to inspect said Locomotive(s) at any time on reasonable notice to Lessee.

11. FUELS AND OTHER FLUIDS. This lease carries no obligation on the part of Lessor to furnish fuel, water, anti-freeze and/or coolant required for the operation of said Locomotive, or any of it, by Lessee.

12. ACCIDENTS AND DAMAGE. The Lessee shall notify the Lessor of each accident or other occurrence which causes damage to each vehicle within (72) hours thereafter, give all information and

cooperation which the Lessor may reasonable request in connection relating to any vehicle or the use, operation, or possession thereof and aid in the investigation and defense of all such claims and in the assertion by the Lessor of any claims for its own account arising out of each accident or occurrence.

13. TITLE TO LEASED EQUIPMENT. Title to all Leased Equipment shall be and remain in the Lessor and the Lessee shall acquire no right, title or interest except the leasehold interest created herein. Lessee agrees to execute a UCC-1 Financing Statement evidencing this Lease Agreement.

14. RISK OF LOSS. The Lessee shall be responsible for all physical damage to the locomotive from any cause, other than normal wear and tear, while locomotive is in the possession of Lessee. This shall include, but not necessarily be limited to damages resulting from collisions, accidents, derailments, vandalism and from the negligence of the Lessee or Lessee's employees, agents or subcontractors, or from the acts or omissions of the Lessee or its employees, agents or subcontractors. Lessee's liability for damage to the locomotive shall not exceed the sum of Fifty-Thousand and NO/100 (\$50,000) Dollars per incident or occurrence. The Lessee will supply the locomotive with fuel, water, sand and other current operating supplies in accordance with Lessor's specifications as may be needed. The Lessee will perform minor repairs (i.e., repairs requiring two man-hours or less per occasion)), daily inspections, such routine maintenance as addition of lubricating oils and adjustment of brake piston travel, when needed, and will protect the locomotive cooling water from freezing.

15. TAXES. Lessor shall be responsible for all personal property taxes that may accrue in connection with the Leased Equipment. Any other taxes, license or regulation fees levied against the Leased Equipment or its use, except taxes based on Lessor's Net Income, shall be paid by Lessee.

16. ALTERATIONS AND REPAIRS. Without the prior written consent of Lessor, the Lessee shall not make any alterations, additions or improvements to the Leased Equipment. All approved additions and improvements shall belong to and become the property of Lessor on termination of this lease. Lessee, except for the daily maintenance and fuel checks set out above, shall not allow the Leased Equipment to be serviced, maintained or repaired by any company other than Lessor.

17. BREAKDOWN. The Lessee has selected the Leased Equipment for its own operation. The Lessor shall not be responsible for any loss of time or any other loss resulting from any breakdown or other failure of the Leased Equipment within a reasonable time of being notified of the breakdown. Lessee shall be entitled to a prorated abatement of rent for any downtime as a result of breakdown. Such abatement shall commence when efforts to supply an alternative

Locomotive for use in the event the breakdown cannot be promptly repaired. The abatement of rentals shall cease upon arrival of alternative Locomotive at Lessee's plant.

18. NO WARRANTY. THE LESSOR MAKES NO WARRANTIES, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, OR ITS FITNESS FOR ANY PARTICULAR PURPOSE.

19. TERMINATION UPON DEFAULT. This Lease may be terminated by the Lessor prior to the expiration date set forth herein on ten (10) days' written notice delivered or mailed to the Lessee at its address as set forth above in the event that the Lessee:

- (a) Fails to pay the rental charges within the time specified herein;
- (b) Makes any breach or default under this agreement;
- (c) Discontinues operation, abandons, or permits Leased Equipment to be subjected to unreasonable hazards or risks;

Such termination of the Lease by the Lessor or the taking or recovery of the Leased Equipment shall not deprive the Lessor of any of its rights, remedies, or actions against the Lessee for rents or damages or affect the Lessee's obligation to make payments provided hereunder. On termination of this Lease for whatever reason, the Lessee agrees that the Lessor may immediately take possession of the Leased Equipment covered hereby and remove it from the Lessee's premises without the necessity of resorting to any legal process, or, at the Lessor's option.

20. USE OF MAINTENANCE FACILITIES. Lessee hereby consents to Lessor's use of Lessee's Locomotive maintenance facilities and fluid containers for Lessor's performance of its maintenance duties. Lessor and its employees shall, during its use, keep all of Lessee's maintenance facilities free of debris and fluids.

21. Lessee hereby agrees and consents to use the said locomotive No. 195 on its plant facilities and will not operate, sublease, or permit the usage of said Locomotive outside the SOHIO CHEMICAL CO. premises, without the expressed written consent of authorized personnel in ISC management.

22. RADIO INSTALLATION. Lessor hereby consents to the installation of two way radios on the LEASED Equipment and such radios shall remain Lessee's property and shall be returned to Lessee upon termination of this Lease. Lessee shall not damage the Leased Equipment in the installation or removal of the radios.

23. MISCELLANEOUS.

- (a) Time is of the essence in this Agreement.
- (b) The Lessee shall not, in whole or in part, assign or sublet the Lease, or any of said Locomotive, or any rights hereunder, without the written consent of Lessor. No rights of Lessee under this Lease shall pass to any successor or assignee of Lessee by operation of Law without the written consent of Lessor.
- (c) This Lease constitutes the entire and final Agreement between the parties and may not be amended except by agreement in writing.

LESSOR:

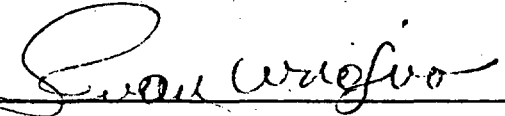
INMAN SERVICE CO., INC.  
WELDON D. INMAN

By: 

July 16, 1985

LESSEE:

SOHIO CHEMICAL COMPANY

By: 

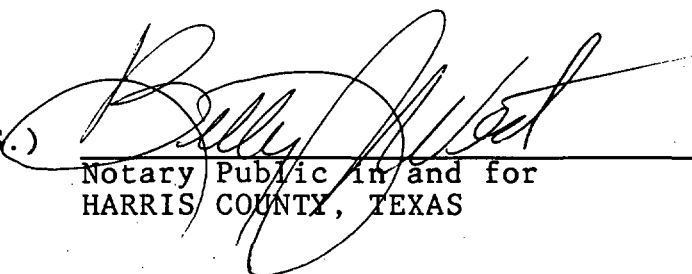
July 16, 1985

THE STATE OF TEXAS  
COUNTY OF HARRIS

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Weldon Inman and I.W. Najvar known to me to be the persons whose name subscribed to the foregoing instrument and acknowledged to me that executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS THE 16th day of July, A.D. 1985.

(L.S.)

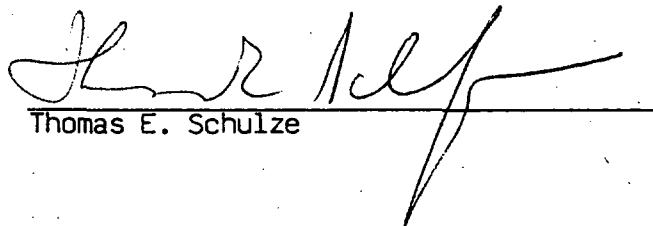
  
\_\_\_\_\_  
Notary Public in and for  
HARRIS COUNTY, TEXAS

STATE OF MISSOURI     )  
                              ) SS.  
COUNTY OF ST. LOUIS   )

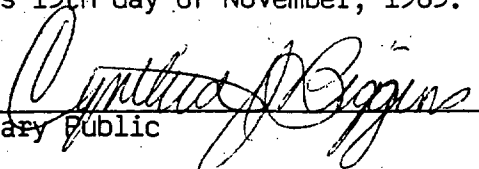
CERTIFICATION OF TRUE COPY

I, Thomas E. Schulze, a member of the Bar of the State of Illinois, do hereby certify that I have compared the attached copy of the document entitled "Locomotive Lease" with an executed original counterpart thereof and find the said attached copy to be in all respects a true, correct and complete copy of the aforesaid executed original counterpart.

IN WITNESS WHEREOF, the undersigned has hereto affixed his signature this 13th day of November, 1985.

  
Thomas E. Schulze

Subscribed and sworn to before me  
this 13th day of November, 1985.

  
Notary Public

My commission expires:

10-28-88

Cynthia J. Biggins, Notary Public  
St. Charles County, State of Missouri  
My Commission Expires Oct. 28, 1988

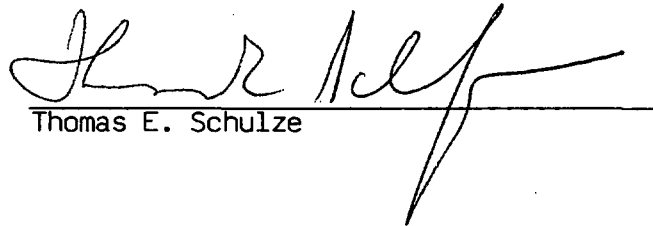
6987Z(c)

STATE OF MISSOURI     )  
                                  ) SS.  
COUNTY OF ST. LOUIS   )

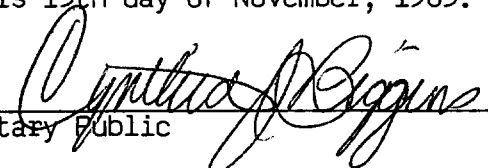
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Thomas E. Schulze

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Notary Public

My commission expires:  
10-28-88

Cynthia J. Biggins, Notary Public  
St. Charles County, State of Missouri  
My Commission Expires Oct. 28, 1988

6987Z(c).